

OFFICIAL PROCEEDINGS OF THE BOARD OF TRUSTEES CITY OF LANSING POLICE AND FIRE RETIREMENT SYSTEM

Regular Meeting
Council Conference Room
10th Floor, City Hall
Lansing, MI

March 21, 2017
Tuesday, 8:30 a.m.

The Board was called to order at 8:34 a.m.

Present: Trustees Fabus, Good, Rose, St. Aubin, Wilcox, Wohlfert, Wood – 7.
Absent: Trustee Bernero

Others: Karen E. Williams, Finance Department; Attorney Ken Lane, Clark Hill (representing the City Attorney's Office); Eric Weber, Fire Department.

It was moved by Trustee Fabus and supported by Trustee Good to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of February 21, 2017.

Adopted by the following vote: 7– 0

It was moved by Trustee Good supported by Trustee Wohlfert to approve the Official Joint Minutes of the Police and Fire Retirement System Board and the Employees Retirement System Board Meeting of February 21, 2017.

Adopted by the following vote: 7 - 0

There were no public comments.

Secretary's Report.

0 new fire member(s), 3 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total: Active membership: 347. 0 death(s). Refunds made since the last regular meeting amounted to \$0.00. Reimbursements to the System year-to-date amount to \$0.00. Retirement allowances paid for the month of February 2017, amounted to \$2,590,129.64. Total retirement checks printed for the P&F System: 732. Total retirement checks printed for both systems: 1638. Domestic relations order received: 0. Domestic relations orders pending: 0 Eligible domestic relations orders certified: 0.

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It was moved by Trustee Wohlfert and supported by Trustee Good to approve the following application for Regular Age and Service Retirement:

Christian Ericks, Fire Department, age 46, 25 years of service credits, effective April 15, 2017 (with the purchase of 13 months of universal service credits)

Scott V. Polhemus, Police Department, age 50, 25 years of service credits, Effective April 15, 2017.

Adopted by the following vote: 7-0.

There were no requests for Duty Disability retirements.

There were no requests for Non Duty Disability retirements.

Karen Williams reported that MAPERS Annual Spring Conference is scheduled for May 20-23, 2017 in Acme, Michigan. Ms. Williams requested that members who were interested in attending to contact the Retirement Office.

Ms. Williams provided a retirement conference update. The Lansing Center has been scheduled for Thursday, September 7. Ms. Williams discussed items on the proposed conference budget that included room rental, food and supplies.

The Police and Fire Retirement Board allocated \$12,500 for the September retirement conference.

Attorney Ken Lane will amend the Police and Fire Retirement Board budget to include the increased allocation for the conference and the increased retirement payroll amount.

It was moved by Trustee Fabus and supported by Trustee Wilcox to approve the request for refund of accumulated contributions for Kevin Marshall, CCLP NonSupervisory, not vested of \$14,770.12.

Adopted by the following vote: 7 – 0.

Mr. Eric Weber addressed the board regarding former Fire Chief Greg Martin. Mr. Weber indicated that Mr. Martin has requested a pro-rated increase in benefits when he reaches age 60. The Police and Fire Retirement System increase in benefits are for members who have 25 years of service credits in the system. Mr. Martin retired before having 25 years of service and is not entitled to the increase. Mr. Weber requested that the Retirement Board send Mr. Martin a letter of response.

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Attorney Ken Lane recommended that Mr. Martin send a letter to the Police and Fire Retirement Board with his request. The Board can then respond to the request.

Attorney Ken Lane reported that the Information Technology manager has been invited to the next joint meeting to address the SAS Report, cybersecurity and other technology issues

Attorney Lane discussed Public Act 530 which amends Public Act 314 that requires pension and retirement health systems to provide an annual report to the State Treasurer's Office as of March 29, 2017. There were no official guidelines posted for submitting reports yet.

Attorney Ken Lane distributed a letter for vendors of the system indicating that vendors cannot make campaign contributions to any elected officials who could have influence over their hiring.

Attorney Lane provided copies of the NCPERS ethics policy for investment advisors. Attorney Lane noted that investment managers would need to disclose contributions on schedule A list of organization. NCPERS provided questions and possible answers to vendors who refused to sign the document.

The Police and Fire Retirement Board discussed the policy and took no action.

Trustee Wood recommended that the trustees receive annual ethics training on the City of Lansing policy.

Attorney Lane noted that the Police and Fire Retirement System has a Code of Conduct policy in place. Attorney Lane will review the charter and provide training as necessary.

Karen Williams indicated that the Police and Fire Retirement System Ordinance amendment was distributed for Board review.

Trustee Wood recommended that the Special Projects committee meet to review the Police and Fire Retirement System Ordinance. Trustee Wood also discussed adding a provision for retirees who come back as contract employees for longer than a year.

The Police and Fire Retirement System Board reviewed the Actuarial Experience Study for recommendations for changes to the economic assumptions, mortality assumptions and demographic assumptions. The Board lowered the inflation rate to 2.85% and investment return rate to 7.35%

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It was moved by Trustee Wood and supported by Trustee Good to accept the actuarial experience study.

Adopted by the following vote: 7 – 0.

Karen Williams reported that Asset Consulting Group provided a schedule of due diligence visits for the week of April 17, 2017. Asset Consulting Group recommended visits to Franklin Templeton, Wasatch and Western Asset.

The Police and Fire Retirement Board requested that Asset Consulting Group recommend two visits rather than three.

Karen Williams reported that GRS sent a proposed fee of \$3,000 to update the minute master service.

Trustee Wood inquired how much would the storage of the date cost instead of updating the minute master. Trustee Wood expressed concern that the Minutes Master does not allow access to the public without a password. Trustee Wood also would like to see the clerk's side expanded to include more data.

Trustee Rose indicated that he will meet with the Retirement Office to review the archive and determine options.

Trustee Rose recommended pushing the Tegrity due diligence until summer or fall.

Attorney Lane provided a sample RFP for medical director. The Board referred the medical director review to the special projects subcommittee.

Attorney Lane reviewed the sample RFP for medical director received from MAPERS. The Board will check with the City for a list of worker's compensation doctors to exclude them from the list. The subcommittee also discussed having a three panel board of doctors. The Board will send out the RFP to determine the response prior to any amendments to the Retirement Ordinance.

Ms. Williams reviewed the investment report and the securities lending report for the month of February 2017

It was moved by Trustee Wilcox and supported by Trustee Fabus to adjourn the meeting.

Adopted by the following vote: 7 -0

The meeting adjourned at 9:27 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System